COASTLINE MICRO INC., GSA CONTRACT # GS-35F-0589P TERMS AND CONDITIONS AS OF 09-01-14

TERMS AND CONDITIONS APPLICABLE TO PURCHASE OF GENERAL PURPOSE COMMERCIAL INFORMATION TECHNOLOGY EQUIPMENT (SPECIAL ITEM NUMBER 132-8)

MATERIAL AND WORKMANSHIP

All equipment furnished hereunder must satisfactorily perform the function for which it is intended.

2. ORDER

Written orders, EDI orders (GSA Advantage! and FACNET), credit card orders, and orders placed under blanket purchase agreements (BPA) agreements shall be the basis for purchase in accordance with the provisions of this contract. If time of delivery extends beyond the expiration date of the contract, Coastline Micro, Inc. will be obligated to meet the delivery and installation date specified in the original order.

For credit card orders and BPAs, telephone orders are permissible.

3. TRANSPORTATION OF EQUIPMENT

FOB DESTINATION. Prices cover equipment delivery to destination, for any location within the geographic scope of this contract.

4. INSTALLATION AND TECHNICAL SERVICES

a. INSTALLATION. When the equipment provided under this contract is not normally self-installable, Coastline Micro, Inc.'s technical personnel shall be available to the ordering activity, at the ordering activity's location, to install the equipment and to train ordering activity personnel in the use and maintenance of the equipment. The charges, if any, for such services are listed below, or in the price schedule:

Per Diem and travel at current Federal Government standards. Installation and training at \$125.00 per hour.

b. **INSTALLATION, DEINSTALLATION, REINSTALLATION.** The Davis-Bacon Act (40 U.S.C. 276a- 276a-7) provides that contracts in excess of \$2,000 to which the United States or the District of Columbia is a party for construction, alteration, or repair (including painting and decorating) of public buildings or public works with the United States, shall contain a clause that no laborer or mechanic employed directly upon the site of the work shall received less than the prevailing wage rates as determined by the Secretary of Labor. The requirements of the Davis-Bacon Act do not apply if the construction work is incidental to the furnishing of supplies, equipment, or services. For example, the requirements do not apply to simple installation or alteration of a public building or public work that is incidental to furnishing supplies or equipment under a supply contract. However, if the construction, alteration or repair is segregable and exceeds \$2,000, then the requirement of the Davis-Bacon Act applies.

The ordering activity issuing the task order against this contract will be responsible for proper administration and enforcement of the Federal labor standards covered by the Davis-Bacon Act. The proper Davis-Bacon wage determination will be issued by the ordering activity at the time a request for quotations is made for applicable construction classified installation, de-installation, and reinstallation services under SIN 132-8.

c. OPERATING AND MAINTENANCE MANUALS. Coastline Micro, Inc. shall furnish the ordering activity with one (1) copy of all operating and maintenance manuals which are normally provided with the equipment being purchased.



5. INSPECTION/ACCEPTANCE

Coastline Micro, Inc. shall only tender for acceptance those items that conform to the requirements of this contract. The ordering activity reserves the right to inspect or test any equipment that has been tendered for acceptance. The ordering activity may require repair or replacement of nonconforming equipment at no increase in contract price. The ordering activity must exercise its post-acceptance rights (I) within a reasonable time after the defect was discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

6. WARRANTY

a. Unless specified otherwise in this contract, Coastline Micro, Inc.'s standard commercial warranty as stated in the contract's commercial pricelist will apply to this contract.

Warranty is at least one (1) year on all offered items. Coastline Micro, Inc. will administer warranty on any item that carries a longer warranty period by the original manufacturer.

- b. Coastline Micro, Inc. warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.
- c. Limitation of Liability. Except as otherwise provided by an express or implied warranty, Coastline Micro, Inc. will not be liable to the ordering activity for consequential damages resulting from any defect or deficiencies in accepted items.
 - d. If inspection and repair of defective equipment under this warranty will be performed at Coastline Micro, Inc.'s plant, the address is as follows: 1811 Kaiser Avenue, Irvine, CA 92614

PURCHASE PRICE FOR ORDERED EQUIPMENT

The purchase price that the ordering activity will be charged will be the ordering activity purchase price in effect at the time of order placement, or the ordering activity purchase price in effect on the installation date (or delivery date when installation is not applicable), whichever is less.

8. RESPONSIBILITIES OF THE CONTRACTOR

Coastline Micro, Inc. shall comply with all laws, ordinances, and regulations (Federal, State, City or otherwise) covering work of this character, and shall include all costs, if any, of such compliance in the prices quoted in this offer.

9. TRADE-IN OF INFORMATION TECHNOLOGY EQUIPMENT

When an ordering activity determines that Information Technology equipment will be replaced, the ordering activity shall follow the contracting policies and procedures in the Federal Acquisition Regulation (FAR), the policies and procedures regarding disposition of information technology excess personal property in the Federal Property Management Regulations (FPMR) (41 CFR 101-43.6), and the policies and procedures on exchange/sale contained in the FPMR (41 CFR part 101-46).



TERMS AND CONDITIONS APPLICABLE TO MAINTENANCE, REPAIR SERVICE AND REPAIR PARTS/SPARE PARTS FOR GOVERNMENT-OWNED GENERAL PURPOSE COMMERCIAL INFORMATION TECHNOLOGY EQUIPMENT (AFTER EXPIRATION OF GUARANTEE/WARRANTY PROVISIONS AND/OR WHEN REQUIRED SERVICE IS NOT COVERED BY GUARANTEE/WARRANTY PROVISIONS) AND FOR LEASED EQUIPMENT (SPECIAL ITEM NUMBER 132-12)

1. SERVICE AREAS

- a. The maintenance and repair service rates listed herein are applicable to any ordering activity location within a fifty (50) mile radius of Coastline Micro, Inc's service points. If any additional charge is to apply because of the greater distance from Coastline Micro, Inc's service locations, the mileage rate or other distance factor shall be stated in paragraphs 8.d and 9.d of this Special Item Number 132-12.
- b. When repair services cannot be performed at the ordering activity installation site, the repair services will be performed at Coastline Micro, Inc's plant(s) listed below:

1811 Kaiser Avenue

Irvine, CA 92614

2. MAINTENANCE ORDER

- a. Agencies may use written orders, EDI orders, credit card orders, or BPAs, for ordering maintenance under this contract. Coastline Micro, Inc. shall confirm orders within fifteen (15) calendar days from the date of receipt, except that confirmation of orders shall be considered automatic for renewals for maintenance (Special Item Number 132-12). Automatic acceptance of order renewals for maintenance service shall apply for machines which may have been discontinued from use for temporary periods of time not longer than 120 calendar days. If the order is not confirmed by Coastline Micro, Inc. as prescribed by this paragraph, the order shall be considered to be confirmed by Coastline Micro, Inc.
- b. Coastline Micro, Inc. shall honor orders for maintenance for the duration of the contract period or a lessor period of time, for the equipment shown in the pricelist. Maintenance service shall commence on a mutually agreed upon date, which will be written into the maintenance order. Maintenance orders shall not be made effective before the expiration of any applicable maintenance and parts guarantee/warranty period associated with the purchase of equipment. Orders for maintenance service shall not extend beyond the end of the contract period.
- c. Maintenance may be discontinued by the ordering activity on thirty (30) calendar days written notice, or shorter notice when agreed to by Coastline Micro, Inc.; such notice to become effective thirty (30) calendar days from the date on the notification. However, the ordering activity may extend the original discontinuance date upon written notice to Coastline Micro, Inc., provided that such notice is furnished at least ten (10) calendar days prior to the original discontinuance date.
- d. Annual Funding. When annually appropriated funds are cited on a maintenance order, the period of maintenance shall automatically expire on September 30th of the contract period, or at the end of the contract period, whichever occurs first. Renewal of a maintenance order citing the new appropriation shall be required, if maintenance is to continue during any remainder of the contract period.
- e. Cross-year Funding within Contract Period. Where an ordering activity's specific appropriation authority provides for funds in excess of a 12 month, fiscal year period, and the ordering activity may place an order under this schedule contract for a period up to the expiration of the contract period, notwithstanding the intervening fiscal years.
- f. Ordering activities should notify Coastline Micro, Inc. in writing thirty (30) calendar days prior to the expiration of maintenance service, if maintenance is to be terminated at that time. Orders for continued maintenance will be required if maintenance is to be continued during the subsequent period.



3. REPAIR SERVICE AND REPAIR PARTS/SPARE PARTS ORDERS

- a. Agencies may use written orders, EDI orders, credit card orders, blanket purchase agreements (BPAs), or small order procedures for ordering repair service and/or repair parts/spare parts under this contract. Orders for repair service shall not extend beyond the end of the contract period.
- b. When repair service is ordered, only one chargeable repairman shall be dispatched to perform repair service, unless the ordering activity agrees, in advance, that additional repair personnel are required to effect repairs.

LOSS OR DAMAG E

When Coastline Micro, Inc. removes equipment to their establishment for repairs, Coastline Micro, Inc. shall be responsible for any damage or loss, from the time the equipment is removed from the ordering activity installation, until the equipment is returned to such installation.

SCOPE

- a. Coastline Micro, Inc. shall provide maintenance for all equipment listed herein, as requested by the ordering act1v1ty during the contract term. Repair service and repair parts/spare parts shall apply exclusively to the equipment types/models within the scope of this Information Technology Schedule.
- b. Equipment placed under maintenance service shall be in good operating condition.
 - (1) In order to determine that the equipment is in good operating condition, the equipment shall be subject to inspection by Coastline Micro, Inc., without charge to the ordering activity.
 - Costs of any repairs performed for the purpose of placing the equipment in good operating condition shall be borne by Coastline Micro, Inc., if the equipment was under Coastline Micro, Inc's guarantee/warranty or maintenance responsibility prior to the effective date of the maintenance order.
 - (3) If the equipment was not under Coastline Micro, Inc's responsibility, the costs necessary to place the equipment in proper operating condition are to be borne by the ordering activity, in accordance with the provisions of Special Item Number 132-12 (or outside the scope of this contract).

6. RESPONSIBILITIES OF THE ORDERING ACTIVITY

- a. Ordering activity personnel shall not perform maintenance or attempt repairs to equipment while such equipment is under the purview of a maintenance order, unless agreed to by Coastline Micro, Inc.
- b. Subject to security regulations, the ordering activity shall permit access to the equipment which is to be maintained or repaired.

7. RESPONSIBILITIES OF THE CONTRACTOR

For equipment not covered by a maintenance contract or warranty, Coastline Micro, Inc's repair service personnel shall complete repairs as soon as possible after notification by the ordering activity that service is required. Within the service areas, this repair service should normally be done within 4 hours after notification.

8. MAINTENANCE RATE PROVISIONS

a. Coastline Micro, Inc. shall bear all costs of maintenance, including labor, parts, and such other expenses as are necessary to keep the equipment in good operating condition, provided that the required repairs are not occasioned by



fault or negligence of the ordering activity.

ь. REGULAR HOURS

The basic monthly rate for each make and model of equipment shall entitle the ordering activity to maintenance service during a mutually agreed upon nine (9) hour principal period of maintenance, Monday through Friday, exclusive of holidays observed at the ordering activity location.

c. AFTER HOURS

Should the ordering activity require that maintenance be performed outside of Regular Hours, charges for such maintenance, if any, will be specified in the pricelist. Periods of less than one hour will be prorated to the nearest quarter hour.

d. TRAVEL AND TRANSPORTATION

Ifany charge is to apply, over and above the regular maintenance rates, because of the distance between the ordering activity location and Coastline Micro, Inc.'s service area, the charge will be:

\$125.00 per hour plus travel and per Diem at current Federal Government rates.

e. QUANTITY DISCOUNTS

Quantity discounts from listed maintenance service rates for multiple equipment owned and/or leased by a ordering activity are indicated below:

There are no further discounts.

REPAIR SERVICE RATE PROVISIONS

- a. CHARGES. Charges for repair service will include the labor charge, computed at the rates set forth below, for the time during which repairmen are actually engaged in work, and, when applicable, the charge for travel or transportation.
- b. MULTIPLE MACHINES. When repairs are ordered by a ordering activity on two or more machines located in one or more buildings within walking distance of each other, the charges will be computed from the time the repairman commences work on the first machine, until the work is completed on the last machine. The time required to go from one machine to another, or from one building to another, will be considered actual work performance, and chargeable to the ordering activity, provided the time consumed in going between machines (or buildings) is reasonable.

c. TRAVEL OR TRANSPORTATION

(I) AT THE CONTRACTOR'S SHOP

- (a) When equipment is returned to Coastline Micro, Inc's shop for adjustments or repairs which are not covered by the guarantee/warranty provision, the cost of transportation, packing, etc., from the ordering activity location to Coastline Micro, Inc's plant, and return to the ordering activity location, shall be borne by the ordering activity.
- (b) The ordering activity should not return defective equipment to Coastline Micro, Inc. for adjustments and repairs or replacement without his prior consultation and instruction.
- (2) AT THE ORDERING ACTIVITY LOCATION (Within Established Service Areas)

When equipment is repaired at the ordering activity location, and repair service rates are established for service areas or zones, the listed rates are applicable to any ordering activity location within such service areas or zones. No extra charge, time, or expense will be allowed for travel or transportation of repairmen or machines to or from the ordering activity office; such overhead is included in the repair service rates listed.

- (3) AT THE ORDERING ACTIVITY LOCATION (Outside Established Service Areas)
 - (a) The repair service rates listed for subparagraph (2) above apply, except that a travel charge of \$0.505 per mile for repairmen will apply to the round-trip distance between the geographic limits of the



applicable service area and the ordering activity location. Such charge will apply as an additional charge, but it will be limited to one round trip for each request that is made by the ordering activity for repair service, regardless of whether repairs are performed at the ordering activity location or at Coastline Micro, Inc's shop.

(b) When the overall travel charge computed at the above mileage rate is unreasonable (considering the time required for travel, actual and necessary transportation costs, and the allowable ordering activity per diem rate for each night the repairman is required to remain overnight at the ordering activity location), the ordering activity shall have the option of reimbursing Coastline Micro, Inc. for actual costs, provided that the actual costs are reasonable and allowable. Coastline Micro, Inc. shall furnish the ordering activity with a report of travel performed and related expenses incurred. The report shall include departure and arrival dates, times, and the applicable mode of travel.

d. LABOR RATES

(!) REGULAR HOURS

The Regular Hours repair service rates listed herein shall entitle the ordering activity to repair service during the period 8:00 a.m. to 5:00 p.m., Monday through Friday, exclusive of holidays observed at the ordering activity location. There shall be no additional charge for repair service which was requested during Regular Hours, but performed outside the Regular Hours defined above, at the convenience of Coastline Micro, Inc..

(2) AFTER HOURS

When the ordering activity requires that repair service be performed outside the Regular Hours defined above, except Sundays and Holidays observed at the ordering activity location, the After Hours repair service rates listed herein shall apply. The Regular Hours rates defined above shall apply when repair service is requested during Regular Hours, but performed After Hours at the convenience of Coastline Micro, Inc.

(3) SUNDAYS AND HOLIDAYS

When the ordering activity requires that repair service be performed on Sundays and Holidays observed at the ordering activity location, the Sundays and Holidays repair service rates listed herein shall apply. When repair service is requested to be performed during Regular Hours and/or After Hours, but is performed at the convenience of Coastline Micro, Inc. on Sundays or Holidays observed at the ordering activity location, the Regular Hours and/or After Hours repair service rates, as applicable, shall apply.

REPAIR SERVICE RATES

LOCATION	MINIMUM CHARGE*	REGULAR HOURS PERHOUR**	AFTER HOURS PERHOUR**	SUNDAYS AND HOLIDAYS PER HOUR
COASTLINE MICRO'S SHOP	\$56.55	\$56.55	\$65.00	\$95.00
ORDERING ACTIVITY LOCATION (WITHIN ESTABLISHED SERVICE AREAS)	\$330.60	\$82.65	\$95.00	\$125.00
ORDERING ACTIVITY LOCATION (OUTSIDE ESTABLISHED SERVICE AREAS)	\$380.00	\$95.00	\$121.80	\$156.60

^{*}MINIMUM CHARGES INCLUDE 4 (FOUR) FULL HOURS ON THE JOB.

^{**}FRACTIONAL HOURS, AT THE END OF THE JOB, WILL BE PRORATED TO THE NEAREST QUARTER HOUR.



TERMS & CONDITIONS AS OF 09-01-14

10. REPAIR PARTS/SPARE PARTS RATE PROVISIONS

All parts, furnished as spares or as repair parts in connection with the repair of equipment, unless otherwise indicated in this pricelist, shall be new, standard parts manufactured by the equipment manufacturer. All parts shall be furnished at prices indicated in Coastline Micro, Inc's commercial pricelist dated 07/29/14, at a discount of 13% from such listed prices.

GUARANTEE/WARRANTY-REPAIR SERVICE AND REPAIR PARTS/SPARE PARTS

a. REPAIR SERVICE

All repair work will be guaranteed/warranted for a period of 90 days from date of service.

b. REPAIR PARTS/SPARE PARTS

All parts, furnished either as spares or repairs parts will be guaranteed/warranted for a period of: Manufacturers stated commercial warranty.

INVOICES AND PAYMENTS

a. Maintenance Service

- (1) Invoices for maintenance service shall be submitted by Coastline Micro, Inc. on a quarterly or monthly basis, after the completion of such period. Maintenance charges must be paid in arrears (31 U.S.C. 3324). PROMPT PAYMENT DISCOUNT, IF APPLICABLE, SHALL BE SHOWN ON THE INVOICE.
- (2) Payment for maintenance service of less than one month's duration shall be prorated at 1/30th of the monthly rate for each calendar day.
- b. Repair Service and Repair Parts/Spare Parts

Invoices for repair service and parts shall be submitted by Coastline Micro, Inc. as soon as possible after completion of work. Payment under blanket purchase agreements will be made quarterly or monthly, except where cash payment procedures are used. Invoices shall be submitted separately to each ordering activity office ordering services under the contract. The cost of repair parts shall be shown as a separate item on the invoice, and shall be priced in accordance with paragraph #IO, above. PROMPT PAYMENT DISCOUNT, IF APPLICABLE, SHALL BE SHOWN ON THE INVOICE.

